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FISCAL IMPACT REPORT

ORIGINAL DATE 03/04/11

SPONSOR Griego, E. LAST UPDATED _____ HB _____

SHORT TITLE Limit Contributions in Certain Elections SB 182

ANALYST Wilson

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$10.0			Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 67, HB 155, HB 195, HB 408, HB 491, HB 506, SB 164, SB 172, SB 181, SB 182, SB 293, SB 420, SB 432 & SB 547

SOURCES OF INFORMATION

LFC Files

Responses Received From

Attorney General's Office (AGO)

Secretary of State (SOS)

SUMMARY

Synopsis of Bill

Senate Bill 182 amends the Campaign Reporting Act, Section 1-19-25 et seq., NMSA 1978, by lowering the current limits on campaign contributions as follows:

	FROM A PERSON	FROM A POLITICAL COMMITTEE
TO A CANDIDATE FOR NON- STATEWIDE OFFICE	Lowers from \$2,300 to \$250	Lowers from \$5,000 to \$500
TO A CANDIDATE FOR STATEWIDE OFFICE	Lowers from \$5,000 to \$500	Lowers from \$5,000 to \$500
TO A POLITICAL COMMITTEE	Lowers from \$5,000 to \$500	Lowers from \$5,000 to \$500

FISCAL IMPLICATIONS

The SOS will need an estimated \$10,000 to upgrade the Campaign Finance Information System to keep track receipt of contributions exceeding the limit.

SIGNIFICANT ISSUES

AGO provided the following:

The US Supreme Court has recently held that similar limits violated the First Amendment. In *Randall v. Sorrell*, the Court struck down Vermont's campaign finance laws that limited contributions to (1) statewide offices at \$400, (2) state senators at \$300 and (3) state representative at \$200.

The Court noted that Vermont's limits were substantially lower than the contribution limits that the Supreme Court previously had upheld in *Buckley v. Valeo*, and comparable limits in other states. The Court concluded that Vermont's substantial restrictions on the ability of candidates to raise the funds necessary to run a competitive election was not closely drawn to meet its objectives.

ADMINISTRATIVE IMPLICATIONS

The SOS can handle the provisions of this bill with existing staff as part of agency's ongoing responsibilities.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB182 relates to the following ethics and elections bills:

HB 67, Prohibit Public Official Lobbying for 1 Year
HB 154, No Election Expenditures from Corporations
HB 155, Disclosure of Funds for Election Advocacy
HB 195, State Ethics Commission Act
HB 408, State Ethics Commission Act
HB 491, Electioneering of Communications Contributions

SB 164, State Ethics Commission Act
SB 172, State Ethics Commission Act
SB 181, Contributions from State Contractors
SB 182, Limit Contributions in Certain Elections
SB 293, State Ethics Commission Act
SB 420, State Ethics Commission Act
SB 432, Governmental Conduct & Contracts
SB 547, Election Code Definitions

OTHER SUBSTANTIVE ISSUES

In comparison to the other 44 states with limits on campaign contributions, the limits proposed by SB 182 will be the lowest in the country. Currently Montana has lowest limits in the nation with a cap of \$320 for a legislative race. The national average is between \$3,500 and \$3,900 for a legislative race

Senate Bill 182 – Page 3

If this bill is not enacted, New Mexico will continue to have contributions that fall roughly within the national average.

DW/svb